

CUSTOMER CONTRACT REQUIREMENTS
F-15SG Air Mission Trainer
CUSTOMER CONTRACT 9014100761

CUSTOMER CONTRACT REQUIREMENTS

1. Prime Contract Special Provisions The following prime contract special provisions apply to this purchase order

1 DEFINITIONS AND INTERPRETATION

1.1 In this Contract, the following terms and expressions shall have the following meanings assigned to them, and their grammatically cognate expressions shall be similarly construed, unless a contrary intention appears:

"Goods" means all items which Seller is required to supply under this Contract except Documentation. For the avoidance of doubt, "Goods" shall include:

- (i) Every part or unit of the System,
- (ii) Supply Support Items,
- (iii) Support and test equipment, and
- (iv) Software and computer programs forming part of (i), (ii) and (iii) above.

"Background IP" means Intellectual Property which is created prior to or independently of this Contract.

"Seller's Specifications" means specifications, plans, drawings, patterns or samples, as appropriate, set out or referred to in Seller's tender offer which is proposed by Seller as being capable of meeting or exceeding the standards set out in the Systems Requirement, as such may be amended by mutual agreement between the Parties.

"Documentation" means all data, manuals, handbooks, designs, standards, specifications, reports, writings, models, sketches, plans, drawings, calculations and other documents relating to the Articles and Services, which Seller is required to supply under this Contract.

"Foreground IP" means Intellectual Property which results from or is generated pursuant to or for the purposes of this Contract or a subcontract as the case may be.

"Holiday" in relation to the doing of an action:

- (i) In Singapore means a Sunday or public holiday in Singapore; and
- (ii) In any place outside Singapore means a Saturday, Sunday or public holiday in that place.

"ITE" or "Interfacing Equipment" means the platforms and equipment with which the Goods shall interface, integrate and interoperate in accordance with this Contract.

"Intellectual Property" (IP) means copyright, and all rights in relation to inventions, registered and unregistered trade marks (including service marks), registered and

unregistered designs, circuit layouts, know how, other proprietary information and data and any other rights resulting from intellectual activity in the industrial, scientific, literary and artistic fields.

"Services" means the work which Seller is required to do under this Contract, including the provision of any post-delivery, post acceptance and post-warranty support.

"Specifications" means the Systems Requirements and the Seller's Specifications, read and construed as one integrated document.

"Supply Support Items" includes repairable items, non-repairable items and consumables.

"System" means the F-15SG Air Mission Trainer.

"Third Party Goods" refers to all items (including documentation) to be provided by Buyer Approved Contractor under this Contract.

"Third Party IP" means any Intellectual Property which is used in the performance of the Contract and which is:

- (i) Incorporated into commercial off the shelf equipment and
- (ii) Not owned by the Seller.

"Technology Transfer Plan" means the Specifications for training and transfer of technology.

"Non-resident," in relation to a Seller, means a Seller the control and management of whose business is exercised outside Singapore.

1.2 Any reference to any of the above words and expressions shall, where the context allows, be deemed to also include a reference to every and any part or unit of the objects or matters represented by such words and expressions.

1.3 All Holidays shall be taken into account when computing any periods of time or computing the date(s) on which anything is to be done. Where the last day of any period prescribed for the doing of an action falls on a Holiday, the action shall be done no later than the first day after the Holiday. If anything is to be done in Singapore on a Saturday other than a Holiday, it shall be done before 1300 hours.

1.4 Seller agrees and declares that it has carefully studied all the documents comprising this Contract and that it is Seller's responsibility to uncover any ambiguities, conflicts or inconsistencies between and within the provisions of this Contract and bring them to Buyer's attention for resolution prior to submission of tender (or execution of contract, if the document in question is not part of the tender documents issued by Buyer) and it is further agreed that any ambiguity, conflict or inconsistency which cannot be resolved by application of clause 1.8 shall be resolved in Buyer's favor.

2. GENERAL OBLIGATIONS OF SELLER

2.1 Seller shall carry out and complete the supply of all Goods in accordance with this Contract.

2.2 Seller shall ensure that the Goods:

- (a) Are new and have not been used for any other purposes except the performance of Acceptance Tests in this Contract;
- (b) Are manufactured in a good workmanlike manner with proper design and

materials; and

(c) Are fit for the purposes intended.

2.3 Seller shall engage, deploy and retain only personnel and subcontractors who are skilled and competent in their several trades and callings for the performance of this Contract. Buyer may in its opinion require Seller to remove from the job personnel and subcontractors who are unskilled and incompetent or whose continued engagement and deployment is inconsistent with the interest of military security.

2.4 Reserved

2.5 Reserved

2.6 To the extent the Goods are not manufactured pursuant to detailed designs and specifications furnished by Buyer, the Goods shall be free from design and specification defects. If any unsuitability or inadequacy in the design of the Goods is discovered at any time within the service life of the System, Seller shall at its own expense remedy and rectify such unsuitability and inadequacy as soon as practicable after receipt of Buyer's written request, failing which Seller will refund to Buyer all monies received under this Contract (including interest compounded monthly at the SIBOR for 6 months / DBS Bank prime rate prevailing at the time of refund) in addition to being liable to Buyer for any costs, expenses or damage incurred by Buyer as a result of the unsuitability or inadequacy.

2.7 In no event shall any approval, endorsement or concurrence (whether verbal or written) given by Buyer to any of the Seller's proposals, designs, drawings and technical specifications relating to any aspect of Goods in any way relieve Seller of any of its responsibilities under this Contract.

2.8a Seller agrees that, as between Seller and Buyer, it shall be solely responsible for ensuring that only new and authentic materials are used in the Goods. Seller shall only purchase parts directly from Original Component Manufacturers (OCMs), OCM franchised distributors, or authorized aftermarket manufacturers.

2.8b Seller will maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all parts included in the Goods being delivered per this contract.

2.9a Seller shall notify Buyer upon any subsequent discovery of counterfeit parts in the Goods for the period of eight (8) years after the delivery of the System. In the event that Buyer discovers suspect parts or counterfeit parts, Buyer shall notify Seller and Seller shall within 90(ninety) days, establish the authenticity of the alleged parts. Seller shall be solely responsible for replacing the counterfeit parts at Seller's own expense if they are deemed as counterfeit.

2.9b Where, subsequent to the delivery of the Goods to Buyer, Seller issues Service Bulletins instructing mandatory retrofit work on the said Goods to satisfy safety requirements, then the new or reworked parts required for mandatory retrofit work shall be furnished to Buyer by Seller without any additional charge.

2.9c If as a result of Sub-Clause 2.9b above, any Goods or any part or unit thereof is made redundant, the Seller shall provide to Buyer new or reworked parts to replace any unused stock items in Buyer's inventory without charge.

2.9d Seller shall provide the required labor and technical assistance to carry out the necessary rectification, the removal of the counterfeit part(s) of the Goods and to conduct the necessary tests required for the acceptance of the rectification, without charge to Buyer, in addition to being liable to Buyer for any costs, expenses or damage incurred by Buyer as a result of the counterfeit part(s).

2.9e If counterfeit parts are furnished under this contract, the Buyer shall have the rights to impound or return the counterfeit parts to Seller. In the case where Buyer impounds and destroy the counterfeit parts, all costs of the same are to be borne by Seller. In the case where Buyer returns the counterfeit parts to Seller, Seller shall meet all cost of and incidental to the discharge of this sub-clause, including any packing, freight, disassembly and reassembly costs. Seller undertakes to properly destroy and dispose of the counterfeit parts forthwith and certify destruction thereafter to Buyer.

3 Not used

4 Not Used.

5 Not Used.

6 ENGINEERING MODIFICATIONS

6.1 Unless Buyer otherwise directs, the Goods shall incorporate all the latest design modifications and latest software releases available or known, to Seller or to the industry, at the time of Contract signing.

7 Not Used

8 DOCUMENTATION UPDATES

8.1 Whenever any modification is made to the Goods prior to acceptance, whether in respect of the design, performance or specifications, Seller shall ensure that all Documentation is properly updated to take such modifications into account.

8.2 Seller shall provide all updates concerning the safe operation of the Goods for all the Documentation provided under this Contract and other safety related bulletins for the entire planned service life of the System.

8.3 If, after the acceptance of any Goods, Seller issues any updates or service bulletins instructing mandatory retrofit work on the said Goods in order to satisfy safety requirements, then the new or reworked parts required for mandatory retrofit work shall be supplied to Buyer by Seller without any additional cost to Buyer. All obsolete parts which have been replaced shall become the property of Seller.

8.4 If, as a result of clause 8.3 above, any Article is made redundant, Seller shall supply new or reworked parts to replace any unused Supply Support Items in Buyer's inventory. All obsolete Supply Support Items which have been replaced shall become the property of Seller.

8.5 Any replacement item shall be delivered on the same terms as the item replaced. Seller shall also provide the required labor to perform the installation of the new or reworked part and the removal of the redundant or obsolete part.

9 INTEGRATION AND INTEROPERABILITY

9.1 All Goods supplied by Seller under this Contract shall be of a configuration compatible with the System, interchangeable among like Goods and interoperable with one another to the extent such Goods are specified or intended to be interoperable. Seller shall ensure that:

(a) The Goods are compatible with the ITE;

(b) The capability and performance standard of the Goods shall not be degraded in any manner whatsoever as a result of any integration with any of the ITE; and

(c) The performance of the ITE shall not be degraded beyond the acceptable levels described in the requirements with the installation and/or integration of the Goods to the ITE; and for this purpose, the Seller shall carry out a series of Preliminary Integration Tests and provide appropriate means of simulating the electrical and other performance/characteristics

of all relevant interfaces between the ITE and the Goods.

10 Not Used

11 Not Used

12 Not Used

13 Not Used

14 Not Used

15 Not Used

16 INSPECTION OF GOODS IF REQUIRED BY THE CUSTOMER

Where inspection of any of the Goods whether completed or in the course of production, is required by the Customer, the Seller shall give the Customer full and free access to the Seller's works as and when required for that purpose and all reasonable facilities as may be required.

18 Not Used

19 Not Used

20 DELIVERY AND PERFORMANCE

20.0 Seller shall comply with any special instructions in writing, with regard to the safe transit of the Goods, which Buyer may give from time to time. Any Costs reasonably incurred by Seller in complying with such special instructions may be added to the Contract Price.

20.1 Seller shall deliver the Goods and Documentation and perform and complete the Services in accordance with the schedules.

20.2 INCOTERMS 2010 (Publication No. 715E of the International Chamber of Commerce) shall be deemed to be incorporated into and shall form an integral part of this Contract. In the event of any inconsistency between the INCOTERMS 2010 and the terms and conditions of this Contract, the latter shall prevail and apply. In the event that the INCOTERM chosen for this Contract is CPT or CIP to a destination other than an international airport or a seaport, Seller shall provide Buyer with the contact details of its inland freight forwarder in the country of destination.

20.3 Notwithstanding any other provisions in this Contract, but subject to any explanatory notes set out in the said schedule, it is agreed that the dates set out in the said schedule are fixed dates which shall not be affected by the earlier or later completion of the preceding performance targets.

20.4 Where the schedule does not specify an exact day but requires performance in or by a certain month or week instead, the day for performance shall be construed as the first working day of the month or the week, as the case may be.

21 Not Used

22 DELAYS BY THE SELLER

22.1 The parties acknowledge that if the Seller fails to meet delivery by the dates specified in this Contract:

(a) Buyer will suffer loss and damage; and

(b) All such loss and damage will, having regard to the governmental and non-commercial nature of the Goods, Documentation and Services and their significance to the

defense of Singapore, be impossible, complex or expensive to quantify accurately in financial terms and the loss and damage arising from such delay may not be able to be precisely calculated or proved, and therefore the parties agree that the amount of liquidated damages referred to in clause 22.2 is a genuine pre-estimate of the damage which would be suffered by Buyer in such event.

22.2 If the Seller fails to meet a delivery by the date specified in this Contract, or by any extension thereof granted pursuant to an express provision of this Contract the Seller shall pay to Buyer, as liquidated damages:

- (a) A sum calculated at the rate of one-tenth percent (1/10%) of the notional value of the payment milestone so delayed subject to a minimum liquidated damage of US\$100 per day for each day of delay until the payment milestone is met; or
- (b) An amount equal to ten percent (10%) of the notional value of the payment milestone so delayed; whichever is the lower.

22.3 If any Goods, Documentation or Services is delayed without any remedy plan being in place for more than one hundred (100) days, Buyer may

- (a) Terminate the Contract in accordance with the termination clause of this Contract; or
- (b) Cancel any of the Articles, Documentation and/or Services delayed by giving Seller a notice of cancellation and, unless the said Articles, Documentation and/or Services are supplied within thirty (30) days after the issue of the notice of cancellation, the cancellation shall be effective at the end of the said thirty (30) days. Buyer may obtain replacements for the cancelled Articles, Documentation and/or Services from other sources and recover all increased Costs reasonably incurred thereby from Seller. Where such cancellation results in a reduction of the payment due for the payment milestone so delayed, Seller's liability for liquidated damages under Clause 22.2, in respect of the portion of the said payment due so delayed shall only be calculated until the effective date of cancellation.

For the purpose of computing liquidated damages under this clause:

- (a) In the case of installment deliveries of Goods or Documentation or installment performance of Services, each actual installment made shall be attributed, in strict order, to the earliest unfulfilled contractual installment; and
- (b) Where any Goods, Documentation or Services is properly rejected by Buyer including rejection for the failure of any Acceptance Tests, the Seller shall be deemed to have failed to deliver the Goods, Documentation or Services so rejected.

22.5 The remedies under this clause are without prejudice to any other remedies available to Buyer under this Contract or otherwise PROVIDED always that Buyer shall in no event be entitled to double recovery for any failure of the Seller.

23 Not Used

24 TITLE AND RISK

24.1 Title to the Goods and Documentation shall pass from the Seller to the Buyer upon successful completion of the Factory Acceptance Test (or upon delivery if there is no Factory Acceptance Test). The risk of loss or damage to the Documentation shall pass upon delivery. However, the risk of loss or damage to the Goods shall only pass from the Seller to the Buyer after the commissioning of the System in Singapore.

24.2 Risk of loss or damage to the Goods and Documentation shall be borne by the Seller from the time the Goods or Documentation are received by the Seller for the purpose of

modification, replacement, repair or rectification until the completed Goods or Documentation are delivered to the Buyer.

24.4 Risk of loss or damage to property furnished by Buyer to Seller shall vest in Seller from the moment Seller takes delivery of such property until such time as the property is delivered to Buyer.

25 GUARANTEE FOR ARTICLES & SERVICES

25.1 Guarantee For Goods

- (a) The Guarantee Period shall, in the case of Goods commence on the date of commissioning of the System in Singapore.
- (b) The length of the Guarantee Period shall be twelve (12) months.
- (c) Where during the Guarantee Period, any Good is found to be:
 - (i) Defective in design, materials or workmanship or
 - (ii) Not in accordance with the Contract; or
 - (iii) Improperly installed; or
 - (iv) Having been installed, operated, stored and maintained in accordance with the written instructions of Seller, fails to function properly or fails to meet any performance guarantees set forth in the Contract,

then, unless it is shown by Seller that the foregoing is caused solely by improper use or mishandling on the part of the Buyer, Seller shall at the written notification of the Buyer, replace or completely repair the same, within a Turn-Around-Time of not more than two (2) months or mutually agreed which shall commence from the notification and expire upon the receipt of the repaired or replaced Article by the Buyer or upon its installation by Seller, whichever is the later. Any replacement Article shall be subjected to the same acceptance tests as the Article it replaces and any repaired Article shall be to such parts of the said acceptance tests as are necessary to ascertain that the repaired Article is acceptable. The repaired/replaced Article shall be guaranteed under this clause for the balance of the Guarantee Period which shall commence from the date of acceptance (and installation, if any) of the repaired/replaced Article by the Buyer or three (3) months from the date of such acceptance (and installation, if any), whichever is later.

25.2 Guarantee For Software

- (a) Notwithstanding any inspection and acceptance of Software by the Buyer, Seller warrants that Contractor Generated Software supplied under this Contract shall be free from any defect as defined in Clause 25.2(b) for a period of twenty-four (24) months from the commissioning of the System (hereinafter referred to as "the Software Guarantee Period").
- (b) The DR type, priority level, description, and definitions are specified as follows:
 - i. Type I Major. Priority 1 (P1) Critical. A failure (e.g., system hangs) or an error that prevents the accomplishment of a training task defined in the TTIL, or that jeopardizes personnel safety.
 - ii. Type I Major. Priority 2 (P2) Urgent. A failure or an error that adversely affects the accomplishment of a training task so as to degrade performance, and for which

no alternative workaround solution exists (reloading or restarting the software is not an acceptance workaround solution).

- iii. Type II Minor. Priority 3 (P3) Routine. A failure or an error which adversely affects the accomplishment of an operational or mission essential function so as to degrade performance, and for which there is a reasonable alternative work-around solution; or which adversely affects the operator's accomplishment of an operation (reloading or restarting the software is not an acceptable work around solution).

(c) If any Software defect is found by the Buyer during the Software Guarantee Period, and its validity is mutually agreed with Seller per the defects defined in Clause 25.2(b), Seller shall at its own expense take all necessary action to correct the defect(s) (including freight, transport, and incidental cost).

(d) Any notification of defect made by the Buyer to Seller shall include the description of the defect and the conditions under which such defect has arisen in order to permit Seller to rectify the defect. The Buyer and Contractor shall mutually agree upon the period of time for the software correction and delivery of new Software versions. Such new Software versions shall be validated by the Contractor using the SAT procedures in order to verify that the entire Software is not affect by the corrections. The Buyer reserves the right to participate in this verification.

(e) In the event Seller fails to issue the new Software versions mentioned in Clause 25.2(d) within the aforementioned periods, the Software Guarantee Period for the agreed upon discrepancies shall be extended by the additional time taken to rectify the said defects. This Software verification will use the SAT procedures with any mutually agreed to minor modifications. Any agreed upon defect that is not corrected during this period shall cause the Software Guarantee Period to be extended until all such defects have been corrected. The aforementioned corrections shall be at Seller's expense.

(f) Seller shall at its own expense prepare and furnish to the Buyer data and reports pertaining to any correction required (including revision and updating) for all Software supplied under this Contract and shall re-configure all other Articles affected by such correction. Seller shall also update all Documentation and re conduct all necessary Training affected by such correction within the scope of this Contract. The re-conduct of such training shall be mutually agreed by the Buyer and Seller.

25.3 The Guarantee Period for Services (other than Services comprising works going solely into the manufacture and design of the Articles) shall commence on the date of completion of the Services and subsist for a period of twelve (12) months. If any Service performed is found during the Guarantee Period to be deficient, Seller shall at the written notification of the Buyer, re perform the same, within a Turn-Around-Time of not more than two (2) months PROVIDED that, where the Buyer has already issued a certification of completion in respect of any Services, the foregoing shall only apply to those deficiencies in the Services which the Buyer cannot be reasonably expected to discover at the time it issues the certificate. For the purpose of this Clause, the "Turn-Around-Time" is the period commencing from the said notification and expiring upon the completion of the re-performed Service. The re performed Service shall be guaranteed under this Clause for the balance of the guarantee- Period which shall commence from the date of completion of the re performed Service or one month from the date of such completion, whichever is later.

25.4 If Seller is unable to repair or replace the defective Article or re-perform the deficient Service within the aforementioned TAT, Seller shall in addition to any other liabilities incurred by itself under the Contract, extend the balance of the Guarantee Period by an equivalent

period commencing from the expiry of the TAT to the date of acceptance of the repaired/replaced Article by the Buyer in Singapore or the date of completion of the re-performed Service, as the case may be.

25.5 Seller shall meet all costs of and incidental to the discharge of the warranty, including any packing, freight, disassembly and reassembly costs.

25.6 The rights and remedies in Clause 25 are in addition to and shall not limit any other rights of the Buyer under the Contract or otherwise.

26 DANGEROUS GOODS DECLARATION

26.1 If the Articles contain Dangerous Goods of Class 1 to 9 according to United Nations' Recommendations on the Transport of Dangerous Goods Model Regulations ST/SG/AC.10/1/Rev.15, Clause 27 (Safety) shall apply.

26.2 Where, as a result of design development or modification of the Articles (including subsystems, components, repair parts, spares, tools, supplies and accessories), materials defined as Dangerous Goods of Class 1 to 9 according to United Nations' Recommendations on the Transport of Dangerous Goods Model Regulations SI"/SG/AC.10/1/Rev.15 are included in the Articles, Seller shall complete the Dangerous Goods Declaration Form as set out in Annex E. Seller shall submit the declaration form to the Buyer within two (2) months of such inclusion and not later than six (6) months before the supply of Articles. Similarly, Clause 27 (Safety) shall apply.

27 Not Used

28 Not Used

29 Not Used

30 Not Used

31 INVOICES

In addition to the usual details, all invoices shall contain:

(a) The description of the Articles set out in the Contract, as far as practicable; and

(b) The country of origin of the Articles.

32 Not Used

33 Not Used

34 Not Used

35 COLLECTION OF INCOME TAX FROM NON-RESIDENT CONTRACTORS

35.1 The Non-resident Contractor will have to complete the Fees Declaration Form ("the FDF") if the Contract includes work or services to be performed in Singapore, or payments in the nature of royalties, fees, rents, etc. which are prescribed by the Singapore Income Tax Act (Cap. 134) to be subject to tax.

35.2 The Non-resident Contractor shall complete the FDF and submit the same to the Buyer at the time of signing of the Contract, or as soon as possible thereafter. If the FDF is not submitted by the time the first payment is due, the Buyer shall withhold the whole amount of that payment from the Non-resident Contractor.

35.3 The Non-resident Contractor shall duly complete the FDF, including but not limited to the declaration of its anticipated profits for such work and services under the Contract.

35.4 Upon receipt of the duly completed FDF from the Non-resident Contractor, the same will

be forwarded by the Buyer to the Inland Revenue Buyer of Singapore ("IRAS").

35.5 The Buyer shall withhold such amount, as instructed by IRAS, from the last payment due under the Contract for tax purposes.

35.6 Upon determination of the actual tax payable, IRAS will notify Buyer on the amount of tax to be remitted from the amount so withheld pursuant to clause 35.5 of this Contract. The Buyer is to return the balance, if any, to the Non-resident Contractor.

37 CONFIDENTIALITY AND SECURITY

37.1 Except with the consent in writing of the Buyer, Seller shall not disclose the Contract or any purchases made in this Contract or any provisions thereof or any information issued or furnished by or on behalf of the Buyer in connection therewith to any person, except to a person employed or engaged by Seller in carrying out the Contract or Seller's sub contractor, supplier or agent on a need to know basis.

37.2 In addition to the foregoing, Seller shall not make use of any information obtained directly or indirectly from the Buyer or compiled or generated by Seller in the course of this Contract which pertains to or is derived from such information, other than use for the purposes of this Contract, without the prior written consent of the Buyer.

37.3 Seller shall not publish or release, nor shall it allow or suffer the publication or release of, any news item, article, publication, advertisement, prepared speech or any other information or material pertaining to any part of the obligations to be performed under the Contract in any media without the prior written consent of the Buyer.

37.4 The Contract shall be held in confidence between the Parties and Seller may only communicate information to its employees, sub contractors, suppliers and agents on a need-to-know basis, and who have been security cleared by MINDEF, to the level appropriate to the classification of the information to be accessed. In addition, Seller shall:

- a. Accord, and ensure that its employees, subcontractor, suppliers and agents accord, the Buyer's classified and official information/ materials the appropriate security classification and protection as laid down by the Buyer.
- b. Ensure that the classifications are not altered, except as authorized in writing by or on behalf of the Buyer.
- c. When the Buyer's classified and official information/material is no longer required, return the information/material to the Buyer or destroy it in accordance with the procedures set out by the Buyer for the destruction of Buyer's classified and official information/ material.

37.5 Seller shall upon notification by Buyer submit to Buyer for security vetting, the names and particulars of all personnel (including personnel from Seller, its subcontractors, suppliers and agents) who will be involved in the performance of the Contract.

37.6 Subject to the consent in writing of the Buyer of such exercise, the exercise by Seller of any ownership rights relating to the Intellectual Property referred to in clause 39 herein without in any way connecting the Intellectual Property to the Buyer or this Contract or any related transaction and without revealing any information regarding the Buyer or this Contract or any related transaction shall not constitute a breach of this clause 37.

37.7 Seller warrants that it has read and will comply with the Security Undertaking for Contract. Seller acknowledges that such confidential information and documents are subject to the Official Secret Act (Chapter 213, 1985 Edition) and in particular to Section 5 thereof which relates to the safeguarding of official information. The obligations of Seller (including its sub-

contractors, suppliers and agents) under this clause shall survive the termination of this Contract.

37.8 Seller acknowledges that it has received the Industrial Security Manual and warrants that Seller (including the employees of its subsidiaries, its Subcontractors or its agents) will comply strictly with the said Industrial Security Manual or its amendments that may be issued from time to time before, during and after the operation or termination of the Contract.

37.9 The Seller shall propose measures to safeguard Buyer's information and equipment classified CONFIDENTIAL and above. Seller shall submit a Security Implementation Plan (the "SIP") at his own cost and expense within one (1) month before System Specifications Review (SSR) and it shall form an integral part of the Contract. The SIP shall describe measures proposed by Seller to protect the Buyer's information and equipment as set out in Section 3 - Chapter 10 and the measures shall comply with the Industrial Security Manual as mentioned in clause 37.8 above. The SIP shall include, but not be limited to the following:

- . General Security
- . Physical Security
- . Personnel Security
- . Information and Equipment Security
- . Security Governance and Awareness
- . Management of Security Incidents

Buyer reserves the right to request for additional sections in the SIP from Seller or further elaboration of the SIP submitted, depending on the requirements of the Contract. Any cost or expense incurred in the preparation of this additional information in the SIP or further elaboration shall also be borne by Seller.

The Buyer's acknowledgement of any SIP submitted by Seller, whether as a result of the Buyer's request for further amendments to the SIP or otherwise, shall not relieve Seller from any of his obligations and liabilities under the Contract.

37.10 Prior to any employee, sub-contractor or supplier or agent commencing work, Seller shall make contractual arrangements which contain obligations functionally equivalent to this entire Clause 37.

38 INTELLECTUAL PROPERTY IN GENERAL

38.1 Except as otherwise expressly provided in this Contract, Seller warrants that it has obtained or will in due time obtain all rights, relating to the use of any Intellectual Property, which may be required for the purpose of this Contract without requiring any assistance from Buyer. Buyer shall not be obliged to enter into any further agreement with Seller or any third party in respect of the use of such Intellectual Property.

38.2 All amounts payable for the use of any Intellectual Property pertaining to this Contract shall be deemed to be included in the Contract Price.

39 OWNERSHIP OF INTELLECTUAL PROPERTY

39.1 All rights or title to, or interest in, all Foreground IP (excluding any IP generated based on Authority data) shall be the sole or exclusive property of the Seller.

39.1A All Foreground IP generated based on the Buyer's data shall be the sole or exclusive property of the Buyer. Seller acknowledges that the rights to such Buyer's data remain with the Buyer and shall use the provided data solely for the purpose of this Contract only. The Buyer's data is defined as all data/media to be provided in writing by the Buyer to Seller. The Buyer grants a license to Seller to use the Foreground IP solely for the purpose of this contract.

39.2 Seller hereby grants to the Buyer, solely for the System, a royalty free, irrevocable, worldwide, perpetual, non-transferable, non-exclusive license, (including a right to sub-license) to use, modify and reproduce all Foreground IP which vests in Seller and all Background IP [except for the Visual Terrain Database, and the CGF Models which vests in Seller as is provided in Clause 39.2A] which is or becomes vested in Seller so as to enable the Buyer or another person on behalf of the Buyer to:

- (a) Use, repair, maintain, refurbish, reproduce, modify, adapt, integrate, develop and dispose of the Articles and to do anything necessary or incidental for those purposes; and
- (b) In the event of termination of the Contract to complete the supply of the Goods.

39.2A The Buyer shall have a royalty free, irrevocable, worldwide, perpetual, non transferable, non-exclusive license, (including a right to sub-license) to use, modify and reproduce, either by the Buyer or another person on behalf of the Buyer, all Foreground IP and Background IP specific to the Visual Terrain Database and the CGF Models provided which vests in Seller, for the Buyer within the scope of the Contract and/or any other purpose of the Buyer provided that such purpose excludes any commercial exploitation by the Buyer or any person or contractor appointed by the Buyer for the said purpose. For avoidance of doubt, the aforementioned rights do not apply to Seller's Whole Earth Database.

39.3 Prior to any subcontractor commencing work, the Seller shall make contractual arrangements so that the Buyer acquires a license of:

- (a) All Foreground IP produced by that Subcontractor; and
- (b) All Background IP, other than Third Party IP,

which is, or becomes, the property of that Subcontractor and those arrangements shall be no less extensive and on terms no less favorable than the rights of the Buyer in relation to Foreground IP and Background IP pursuant to clause 39.2.

39.4 Seller declares that the only IP in which the Buyer has not been granted a license in the terms set out in clauses 39.2, 39.2A and 39.3 is Third Party IP. In relation to Third Party IP, Seller shall reasonably pursue for the Buyer, without charge to the Buyer, a royalty free, irrevocable, worldwide, perpetual, non-exclusive, license to use all Third Party IP solely for, or in relation to the Art1icles and to use, modify and reproduce the Foreground and Background IP which is not incorporated into commercial off the shelf equipment

39.5 Where, pursuant to clause 39.2, the Buyer makes available to another person any IP (whether Foreground IP or Background IP) owned by Seller or a Subcontractor ("the Rights"), the Buyer shall:

- (a) Impose on such person an obligation to use the Rights solely for the purposes provided for in clause 39.2 and to observe appropriate confidentiality requirements; and
- (b) Obtain an acknowledgement from such person that:
 - (i) The Rights belong to, and at all times remain the property of the rightful owner; and
 - (ii) Misuse of the Rights may cause harm to the owner of those Rights.

39.6 For the avoidance of doubt, clause 39.1 does not vest any title in Seller of any IP in any results, report, data or information generated or produced by the Buyer or another person on behalf of the Buyer as a result of the Contract. The title to all IP in any such results, report or data or information generated or produced by the Buyer or another person on behalf of the Buyer as a result of this Contract shall be owned by the Buyer.

39.7 If Seller, its subcontractor or supplier intends to sell or transfer their Background IP or Foreground IP, Seller shall ensure that the purchaser of the Background IP or Foreground IP and every successor in title to the interest in the Background IP or Foreground IP has prior written notice of the license that Seller, its subcontractor or supplier has granted to the Buyer.

39.8 If any license granted or obtained for Foreground IP or Background IP under clause 39.2 is registerable under any IP registration system in Singapore, Seller shall:

- (a) Register the license under the IP registration system in Singapore and
- (b) Deliver copies of documentary proof of such license registration to the Buyer as soon as possible.

40 Not Used

41 Not Used

42 Not Used

43 Not Used

44 Not Used

45 Not Used

46 Not Used

47 Not Used

48 GIFTS. INDUCEMENTS AND REWARDS

48.1 The Buyer may terminate this Contract if Seller or any person employed by him or acting on his behalf (whether with or without Seller's knowledge) has done any act or omission which contravenes any law for the suppression of corrupt practices. Seller shall be liable for any costs, expenses or damage incurred by the Buyer as a result of the aforesaid actions and/or termination of the Contract under this clause.

48.2 For the purpose of this clause, the offering or payment of monetary remuneration as agency fees to Seller's officially appointed agents in the Republic of Singapore shall not be construed as being a contravention of this clause.

50 SUBCONTRACT

50.1 Buyer reserves the right to provide a copy of this contract to the Customer.